

FEDERAL RESERVE SYSTEM**[Docket No. R-1148]****Privacy Act of 1974; Notice of Amendment of System of Records****AGENCY:** Board of Governors of the Federal Reserve System.**ACTION:** Notice; amendment of systems of records.

SUMMARY: In accordance with the Privacy Act, the Board of Governors of the Federal Reserve System (Board) is amending two systems of records, entitled Recruiting and Placement Records (BGFRS-1) and General Personnel Records (BGFRS-4). These amendments include new routine uses and reflect changes due to increased use of electronic records management. We invite public comment on this publication.

DATES: Comment must be received on or before May 28, 2003.

ADDRESSES: Comments should refer to Docket No. R-1148 and should be mailed to Ms. Jennifer J. Johnson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551, or mailed electronically to regs.comments@federalreserve.gov. Members of the public may inspect comments in Room MP-500 of the Martin Building between 9:00 a.m. and 5:00 p.m. on weekdays pursuant to § 261.12, except as provided in § 261.14, of the Board's Rules Regarding Availability of Information, 12 CFR 261.12 and 261.14.

FOR FURTHER INFORMATION CONTACT: Elaine M. Boutilier, Managing Senior Counsel, Legal Division (202/452-2418), or Chris Fields, Assistant Director, Human Resources Function, Management Division (202/452-3654). For the hearing impaired only, contact Telecommunications Device for the Deaf (TDD)(202/263-4869).

SUPPLEMENTARY INFORMATION: Unlike most Federal government agencies whose personnel files are maintained by the Office of Personnel Management (OPM), the Board maintains its own recruiting and personnel files. Because the Board has independent statutory authority to hire staff and set the salary and benefit terms for its staff. Accordingly, the recruiting and personnel files of Board employees are not contained in the systems of records identified as OPM/GOVT-1 and OPM/GOVT-5. Nevertheless, the Board's personnel and recruiting files are used in much the same manner as personnel and recruiting files of other federal

employees, and the Board has adopted many of the routine uses that are included in OPM/GOVT-1 and OPM/GOVT-2. The current amendments being made to the routine uses are necessary due to changes in laws and increases in national security measures.

In accordance with 5 U.S.C. 552a(r), a report of these amended systems of records is being filed with the Chair of the House Committee on Government Reform and Oversight, the Chair of the Senate Committee on Governmental Affairs, and the Office of Management and Budget. These amendments will become effective on June 16a, 2003, without further notice, unless the Board publishes a notice to the contrary in the **Federal Register**.

Accordingly, the systems of records entitled FRB-Recruiting and Placement Records (BGFRS-1) and FRB-General Personnel Records (BGFRS-4) are amended as set forth below.

SYSTEM NAME:

BGFRS 1- Recruiting and Placement Records

SYSTEM LOCATION:

Most records are maintained at the Board of Governors of the Federal Reserve System, 20th and Constitution, N.W., Washington, D.C. 20551. Some information, primarily resumes, is electronically collected and stored off-site on behalf of the Board by a contractor.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Persons who have applied for employment with the Federal Reserve Board.

CATEGORIES OF RECORDS IN THE SYSTEM:

The following categories of records are maintained in this system: resumes, applications, and supporting documentation submitted by persons seeking employment; information from job fairs; referrals from Federal Reserve Banks and other Federal government agencies; transcripts or notes from interviews with some applicants; notes of interviews with references; information regarding verification of education and/or military status; some employment inquiries (and responses) sent to the Chairman of the Board; and offer letters and related correspondence. Certain information is retained in an electronic database to enable the Board's Equal Employment Opportunity Office to monitor and track its recruiting and hiring performance.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Sections 10 and 11 of the Federal Reserve Act (12 U.S.C. 244 and 248(l)).

PURPOSE(S):

These records are collected and maintained to assist the Board in recruiting and retaining qualified employees, and to allow the Board to periodically review its hiring practices.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The information in the records may be used:

a. By the National Archives and Records Administration in connection with records management inspections and its role as Archivist.

b. To disclose to contractors, agents, or volunteers performing or working on a contract, service, cooperative agreement, or job for the Board.

c. To disclose pertinent information to the appropriate Federal, State, or local agency responsible for investigating, prosecuting, enforcing, or implementing a statute, rule, regulation, or order, when the Board becomes aware of an indication of a violation or potential violation of civil or criminal law or regulation.

d. To disclose information to any source from which additional information is requested (to the extent necessary to identify the individual, inform the source of the purpose(s) of the request, and to identify the type of information requested), when necessary to obtain information relevant to a Board decision to hire or retain an employee, issue a security clearance, conduct a security or suitability investigation of an individual, classify jobs, let a contract, or issue a license, grant, or other benefits.

e. To disclose to a Federal agency or to a Federal Reserve Bank, in response to its request, or at the initiation of the Board, information in connection with the hiring of an employee, issuing a security clearance, conducting a security or suitability investigation of an individual, classifying positions, letting a contract, or issuing a license, grant, or other benefit by the requesting agency or Federal Reserve Bank, or the lawful statutory, administrative, or investigative purpose of the agency to the extent that the information is relevant and necessary to the requesting agency's or Federal Reserve Bank's decision.

f. To provide information to a congressional office from the record of an individual in response to an inquiry from the congressional office made at the request of the individual.

g. To disclose information to another Federal agency, a court, or a party in litigation before a court or in an administrative proceeding being